

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-35260
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Orleans 25
8. Well Number 1
9. OGRID Number 243542
10. Pool name or Wildcat Four Mile Draw: Morrow (Gas)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
Corkran Energy, LP

3. Address of Operator
300 Beardsley Lane, C-204 Austin, TX 78746

4. Well Location
Unit Letter B: 660 feet from the North line and 1650 feet from the East line
Section 25 18S Township 26E Range NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3280'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input checked="" type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

In reference to cement placement on the production string of the Orleans 25 #1, please refer to the attached letter.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Angela Lightner TITLE Consultant DATE 7-2-07

Type or print name Angela Lightner E-mail address: angela@rkford.com Telephone No. 432-682-0440

For State Use Only
BRYAN G. ARRANT
DISTRICT II GEOLOGIST

APPROVED BY: _____ TITLE _____ DATE AUG 06 2007

Conditions of Approval (if any):

TO: DISTRICT II OCD OFFICE
Artesia, New Mexico
ATTN: Mr. Bryan Arrant

FROM: Jerry B. Elger
Geological consultant for Corkran Energy, LP

RE: Orleans "25" #1: Issue regarding behind pipe cement

Bryan:

It is our understanding that there is some concern regarding the lack of cement behind our production string between the current top of cement (estimated 3700') and the base of intermediate casing (1362') in the Corkran Energy LP **Orleans "25" #1** well located in section 25, T-18-S, R-26-E. Please reference the following bullet points, which suggest that no concern should be warranted:

- The Glorieta Yeso Formations which are productive to the west of the **Orleans "25" #1** well is characterized by very tight (low porosity) carbonate rocks (dolomite) with porosity typically less than 8% and low very permeability. Production is always induced via extensive sand fracture treatments. This reservoir type is not prone to damage, invasion, or cross-flow.
- When drilled in the **Orleans "25" #1** well, mud log shows and drill rates through the Glorieta Yeso zones were not considered significant enough to recommend attempting a completion in those zones. This suggests that the subject well is situated along the eastern flank (edge) of the Atoka Glorieta Yeso pool.
- Several nearby wells, including the Depco **Terry Evans #1** (API # 30-015-21609) located north of the Orleans "25" #1 and the Yates Petroleum. Corp. **Northwestern Shore "ADL" Com. #1** (API # 30-015-24072) located to the south, did not cement their production string(s) across the Glorieta Yeso zones. Ultimately, the production casing in the Yates well was shot at TOC (5500') and pulled to 3672' where it was re-cemented and a Glorieta Yeso completion effected.
- Should a completion attempt in the deeper zones of the **Orleans "25" #1** fail to establish commercial production, casing from below the Glorieta Yeso could be recovered and cement plugs positioned across these zones.

If you have any further questions or issues regarding these points or this well, please don't hesitate to give me a call so we can discuss them. (432) 352-8260.

Sincerely,



Jerry Elger